Key Facts Statement (KFS)
Auto Finance

The Key Facts Sheet highlights important information about Auto Finance, such as the Profit rate and installment amount. It also provides the total amount to be paid back over the life of the Finance.

Key Product details

Product	Auto Finance	
Description	Auto Finance is given to individual customers, where the repayments are made out of Salary and End of Service –EOSB and / or any other regular income from a well-defined source.	
Structure	Our Auto Finance, based on the Sharia structure of Murabaha, is preceded by a promise of purchase by the customer. This is a Shariah-compliant sale in which Al Masraf discloses the actual cost plus the profit incurred in acquiring the cars and then sells these cars to the customer.	
Profit Rate + Equal Monthly Installment (EMI)	Profit rate from 4.56% to 11.99% (per annum on reducing balance). Flat Rate equivalent from 2.49% to 6.55% (per annum) • You will pay Principal + Profit (as per the Bank's prevailing rate) to the Bank on a monthly basis. • You are required to pay the EMI on the due date to the Bank as per the repayment frequency. • EMI is calculated by adding the principal finance amount and total profit and dividing this total by the Finance period in months. • This is done using a reducing balance method, which means that as your finance balance reduces, with every Equated Monthly Instalment (EMI) payment, the profit portion of your EMI will reduce. • Profit will not be charged on accrued profit.	
Fees	• Processing Fees: 1% of the Finance amount (maximum AED 2,500). • The complete Schedule of Charges (SoC) is available on the website. • This SoC is subject to change from time to time at Al Masraf's sole discretion. The Customers will be notified sixty (60) calendar days in advance of any revision.	
Eligibility	• UAE National or UAE Resident • Minimum age of 21 years old or over at the time of applying for Finance • Min Salary of AED 15,000 • Min length of service 6 months and confirmed employee	
Features and Benefits	• Fully compliant with Sharia rules. • High Finance amount based on the salary. • Maximum number of cars/vehicles per application up to 3 only • Maximum Tenor up to 60 months • Finance currency is AED only	
Auto Finance Profit Working Example	Vehicle Cost	AED 100,000
	Down Payment	AED 20,000
	Finance Amount	AED 80,000
	Finance Period	60 Months (5 Years)
	Annualized Percentage Rate	5.89% APR Based on profit rate of 5.50% p.a.(equivalent to flat rate of 2.941%) and processing fee of 1.05%
	Total Profit Amount	AED 11,765 Finance amount (80,000)*equivalent flat rate (2.941%)* Finance period in years (5)
	Total Repayment Amount	AED 91,765 Finance amount (AED 80,000) + Profit Amount (AED 11,765)
	EMI (Equated Monthly Instalment) Amount	AED 1,529 Total repayment amount (AED 91,765) / Finance tenor in months (60)
	Early Settlement fee (Example)	Outstanding principal amount – AED 20,000 Early Settlement Fee @1.05% (incl VAT) - AED 210
	The Finance amount you are eligible for and the profit rate may differ from the representative example above. This will depend on your credit profile and the bank's affordability assessment.	
Extra Grace Period	The grace period forms part of the total financing tenure and is taken into consideration when calculating the total profit in accordance with the terms of the contract. The profit accrued during the grace period will be recovered within the first instalment(s) following its expiry. A longer grace period increases total profit payable and overall repayment amount.	
Finance Amount	The amount you can grant for Auto Finance depends on your income, expenses, liabilities, etc. The Bank will consider all your expenses and liabilities to ensure you can make repayments without financial stress.	
Down Payment	Minimum 20% Down Payment of car/vehicle value.	

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Salary Transfer/Non-Salary transfer to the bank	You are required to transfer your monthly salary to Al Masraf & provide all the necessary documents. In case of any change in employment or if you retire, you must transfer your new salary/pension to Al Masraf until the Finance is entirely settled. You can avail the Auto Finance without transferring your monthly salary to Al Masraf and provide all the necessary documents. You will be required to assign Direct Debit Authority – DDA to Al Masraf and based on which the installment will be debited from your bank account to repay the installment.
Vehicle Mortgaged to Bank	The Auto/Vehicle will be mortgaged in favor of Al Masraf on the vehicle registration document (Mulkiya) issued by the traffic authorities and noted in the insurance policy. The Auto/Vehicle will remain mortgaged to the bank until you fully pay the principal, accrued Profit, fees, and charges. The mortgage on the Auto/Vehicle is a security on the Finance, which means you cannot sell/mortgage to a third party.
Instalment not paid on time.	You shall pay the monthly installment on the due date, and if you fail to pay the monthly installment, your account will go into arrears. This may affect your credit rating, limiting your ability to access financing in the future. Further, if you fail to pay three consecutive installments, the Agreement shall be terminated, and the remaining installments shall become payable within 15 days of receiving a written notice from the Bank, and also the Bank shall take applicable legal action against you to protect the bank's interest.
Commitment to Donate	The client is obliged to donate (as per Bank's Schedule of Fees available on www.almasraf.ae) after the lapse of the payment due date or instalment date on financing. The bank shall use such amounts to recover the actual losses and expenses incurred by the bank to recover the payments due or instalments including court and legal fees except the investment opportunities loss and costs of financing. The Bank shall donate the balance to the charity account managed by the Bank and subject to the rulings of the Fatwa and the Internal Shari'ah Supervision Committee of the Islamic Banking services, without prejudice to Al Masraf's rights to claim any late instalments due through the legal proceeding. The commitment to donate does not apply to a customer if a customer is insolvent and not procrastinating, and the principle is that the customer is not insolvent unless the customer proves otherwise.
Schedule of Fees	This Finance is governed by the Schedule of Fees and Charges. If any of these fees are due to be paid, the customer should pay such fees. • Al Masraf publishes its Retail Banking Schedule of Fees & Charges in line with its commitment to a transparent Customer relationship. • Customers are strongly encouraged to write to us at info@almasraf.ae in case of need for more clarity on any fees charged to the account.
Guarantor/Collateral	The bank may require a guarantor or collateral in order to secure the credit facility. The Bank will inform the customer before signing the contract. The collateral will be released upon full repayment of the loan.
Partial Early Settlement	The Bank allows partial early settlement during the Finance term. Applicable fees will be charged, calculated on the remaining principal amount, plus VAT on the early settlement fee as clarified on the full early settlement example below. The fees are mentioned in the Schedule of Fees & Charges ("SOF"), which is published on the Al Masraf website (www.almasraf.ae). You will have the following options for finance: a. Pay the same installment and reduce the tenor OR b. Decrease your monthly installment and maintain the same tenor The profit will be proportionately adjusted based on the principal remaining.
Full Early Settlement	In the event that the customer wishes to make an early settlement of the remaining financing amount in the future, the customer will be required to pay an early settlement fee of 1% of the total remaining principal amount of the finance, in accordance with the instructions of the Central Bank of the United Arab Emirates, according to the illustrative example mentioned below: Example: If the total remaining debt amount is AED 100,200, details: (AED 90,000 principal amount + AED 10,000 deferred profits + AED 200 accumulated profits until the early settlement date), the customer will be required to pay AED 91,100 to repay the financing, which is the total amounts mentioned below, excluding the deferred profits amount (AED 10,000) that will be dropped: • Remaining principal amount (AED 90,000) • Early settlement fee of 1% of the principal amount (AED 900) • Amount of accumulated profits until the early settlement date (AED 200) • Value Added Tax (VAT) of 5% is imposed as a fixed rate and separately on the applicable fees/expenses. *Note: The details shown in the examples above are for illustration purposes only and may vary based on the customer's category, employment data, type of financing, installment history, and any other factor that the bank deems appropriate according to the bank's policy.*
Instalment Postponement	Deferment is the delay or suspension of monthly installments. You are required to submit the request at our Branch, mention the reason for deferment, and pay the applicable fee mentioned on our website. The Bank will assess your request based on eligibility and policy and, accordingly, defer the installment. ***Warning: In the event of deferment, the Finance maturity period will be increased by the number of deferments availed by you during the Finance term, while the Murabaha price remains the same.***

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Finance Reschedule	The Customer must inform the Bank in case his monthly income is reduced due to (Salary reduction from the employer, allowances withdrawn/retire from employment/loss of employment and turning into pensioner or for any other reason), Al Masraf will assist you to reschedule the existing Auto Finance for applicable tenor to maintain your monthly expenses vs income.
VAT	For the avoidance of doubt, VAT is added to all amounts/fees mentioned in the Schedule of Fees, excluding VAT at the prevailing rate.
Further queries and/or clarifications	If you have any questions, please email info@almasraf.ae for more clarity before signing the application form and the Finance Agreement. You should provide a copy of your EID/Passport and Visa page (if you are an expatriate customer), UAE Mobile number, and Account Number to facilitate a timely response.
Cooling- Off period	Al Masraf Islamic Banking Services grants the customer the right to a cooling-off period of complete 5 days business days to revoke the signed agreement without incurring any penalty or charges. The customer also has the right to waive the Central Bank's required cooling-off period of complete 5 business days by signing a written waiver form provided by the Bank.

Privacy Note:

Our privacy commitments are fundamental to the way we run our business. Unless otherwise noted or governed by law, these commitments apply to everyone who has a relationship with us and those who have an intention to establish a relationship with us that includes customers, partners, and website visitors. Al Masraf is committed to providing you with the best overall experience in all of our products and services. We strive to strike the right balance between using your data to ensure the quality of those experiences and protecting your privacy. We have assessed all aspects of our business and optimized the amount of data we collect to find the right balance between data sharing and service. Our Privacy Notice is available on https://almasraf.ae/privacy-notice.

Transparency Note:

As Al Masraf, we operate in full compliance with applicable laws and regulations governing data protection and privacy. Our commitment to transparency extends to ensuring that our practices align with legal requirements and industry standards. We prioritize your trust and confidence in Al Masraf and remain committed to transparency and accountability in all our interactions.

Additional Information:

- The Bank reserves the right to amend the Bank's Islamic General Terms and Conditions for Consumer Banking Products (including any relevant applications and documents) by notice to you as per applicable law.
- The Bank's Islamic General Terms and Conditions for Consumer Banking Products (including any relevant applications and documents) shall be read and implemented in line with this Key Facts Statement.
- The Bank may debit the Customer's account with any charges, expenses, or commission payable against the banking services rendered in accordance with the approved and announced banking charges and commissions, as notified to the Customer from time-to-time.
- For any inquiries or assistance, you can contact us at any of our branches, visit Al Masraf website, email us at info@almasraf.ae, or call us at 600 52 9999.
- Account Statements are sent monthly to the registered email address.
- Account transactions can be viewed using Al Masraf Online and Mobile banking.
- Transaction Alerts are provided to the mobile number registered with the bank.
- Al Masraf publishes its Retail Banking Schedule of Charges in line with its commitment to a transparent Customer relationship.
- Customers are strongly encouraged to write to us at info@almasraf.ae in case they need more clarity on any fees charged to Auto Finance or their accounts.
- The processing of your application leading to the disbursal of the Finance may take up to 10 business days from the time Bank receives complete and accurate information and documentation.
- In case your Finance is being taken over from another institution, the processing time may extend depending on receipt of all documentation from the other institution.
- All charges applicable are calculated from the date of Finance disbursal. This will also apply in the case of a deferred First Payment Date.
- As a consequence of the delay caused by the Licensed Financial Institution, the Consumer retains the option to cancel the contract without cost or penalty before the funds are made available.
- All copies of signed documents will be provided without any charges.

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How to complain to us?

- Please visit the website and fill in the Complaint form in the Contact us page: https://www.almasraf.ae/contact-us.
- Send an email to care@Almasraf.ae.
- Call us at 600529999 and select option 6 to connect with Complaint Management Team.

Warnings:

- Failure to meet our Terms and Conditions before and during your relationship with us will result in consequences, including restriction, blockage, or closure of your bank account.
- If you do not meet the monthly repayments on your Finance account, your account will go into arrears and incur a late payment fee.
- When you miss repayments, this could affect your credit score and limit your ability to access financing in the future.
- When you refinance your Finance or avail installment deferments, it may take longer to pay off than your previous Finance. It may also result in paying more profit.
- You may have to pay penalties if you pay off a loan/financing early.

Declarations:

Customer hereby agrees to the above conditions and declares to the below by signing this KFS:

- Customer acknowledges to have received and understood the Key Facts Statement.
- Customer has been provided with the Privacy Policy Statement (Click here to refer https://almasraf.ae/privacy-notice).
- The Bank reserves the right to change the Terms and Conditions of the Agreement at any time at its sole discretion by providing 60 days written notice to the Customer.
- Customer acknowledges that the Bank may withdraw or terminate this facility at any time upon issuing a Sixty (60) days written notice.

I/We acknowledge receipt and understanding of this Key Fact Statement. I/We also acknowledge that I/we understand the product/service features, pricing, benefits, risks, fees, and Consumer rights and obligations as detailed in the Key Fact Statement. I/We acknowledge and agree that the provision of any banking services shall be at Al Masraf's discretion and subject to all applicable terms and conditions of Al Masraf Banking Services General Terms and Conditions, which may be revised from time-to-time.

Applicant Name:_____ Applicant Signature:_____	Date:_____

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TERMS & CONDITIONS APPLY

SCHEDULE OF CHARGES

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